GOVERNMENT OF INDIA
HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
LOK SABHA

UNSTARRED QUESTION NO:613
ANSWERED ON:24.11.2011
REDUCTION IN SALE OF VEHICLES
Sugavanam Shri E.G.

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) whether sale of car and commercial vehicles in the country have been drastically reduced in the last few years.

(b) if so, the details thereof.

(c) whether higher rate of interest and steep increase in the prices of petroleum products resulted in decline in car sales.

(d) if so, whether the Government has taken any step to boost the production, sale and export of the same in the coming months.

(e) if so, the details thereof; and

(f) if not, the reasons therefor?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI PRAFUL PATEL)

(a): As per the information received from the Society of Indian Automobile Manufacturers (SIAM), the sales of cars and commercial vehicles have been showing growth over the last few years. However, in recent months, the sales of cars are showing a decline.

(b): The domestic sales of cars and commercial vehicles during the last two years and current year are as under, (In number) Category 2009-10 2010-11 2011-12 (April-Oct) Passenger cars15, 28,33719, 82,70210, 47, 804 Growth rate25. 22% 29.73%(-) 5.05%Commercial vehicles 5,32,721 6,76,408 4,33,701 Growth rate 38.66% 26.97% 17.95%

(c): The rising interest rates and increase in fuel prices have been two of the probable reasons responsible for this decline.

(d): Yes Madam.

(e): The new Foreign Trade Policy provides additional incentives which will boost the production and export of cars.

(f): Question does not arise.